SOCIAL MEDIA USAGE AND PERFORMANCE OF BEAUTY SALONS IN NAIROBI
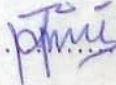
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A PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION, FACULTY OF BUSINESS AND MANAGEMENT SCIENCES, UNIVERSITY OF NAIROBI

2021

DECLARATION

This project report is my own original work and has never been presented for a degree in any other University.

Signed...   Date...26/11/2021.........................

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This project report has been submitted for examination with my approval as University Supervisor.

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DEDICATION

This research is in honor of my loved ones who include my loving wife Lydia Nyaboke and my brother honorable Shadrack John Mose who have shown their unwavering moral and financial support, encouragement, and love over the years.

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ABBREVIATIONS AND ACRONYMS

DOI   -   Diffusion of Innovation

GDP   -   Gross Domestic Product

IT   -   Information Technology

PEOU   -   Perceived Ease of Use

PR   -   Public Relations

PU   -   Perceived Usefulness

SACCOs   -   Savings and Credit Co-operatives

SET   -   Social Exchange Theory

SM   -   Social Media

SMEs   -   Small and Medium Enterprises

SMU   -   Social Media Usage

SPSS   -   Statistical Package for the Social Sciences

TAM   -   Technology Acceptance Model

UAE   -   United Arab Emirates

ABSTRACT

Social networks platforms provide comprehensive information, provides very flexible and simple management tools. However, despite the importance of social media, companies continue to be skeptical about the use of social media, often questioning the return on investment in social networks and hesitant to integrate social media initiatives into their strategies and marketing. In Kenya, many small beauty salons have sprung up on the outskirts of the central business district, increasing competition, and the rise of large and sophisticated salons offering role-based specialized services such as facials and massage parlors, kitchens, receptions, and even executives. In addition, consumers' appetite for diversity has led to increased product launch rates, rapid increases and shorter product cycles. This study thus sought to examine the relationship between social media usage and the performance of beauty salons in Nairobi. The study adopted a descriptive research design and the study's population was made of the 4,250 beauty salons. The study sampled 100 beauty salons in Nairobi and used primary data, which was gathered through questionnaires that were dropped to the beauty salons managers or their equivalents and picked after one week. In this research, descriptive statistical tools and regression were employed for the analysis of the collected data using the SPSS statistical software. The study found that beauty salons in Nairobi used social media to a large extent. Regression results indicated the use of social media had a positive and significant relationship with organizational performance. The study found that the challenges in social media use were faced to a moderate extent. The study concluded that for better organizational performance, beauty salons should use social media. The study recommends that social media should be implemented and used. The study further recommends a similar study to be done on other entities and industrial segment in Kenya. Similar study could also be done other counties in Kenya.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Social media (SM) has redesigned the corporate environment globally, where entities seek to find competitive advantage through the social media platforms (Rahman et al., 2020). Acceptance of SM tools has increased significantly in most organizations to promote internal communication, knowledge sharing and collaboration (Osoro, 2020). Organizations use social media to accelerate knowledge dissemination, knowledge acquisition and distribution inside and outside the organization, as well as to strengthen relationships with customers and suppliers, and to develop other external partnerships (Etim, Uzonna & Worgu, 2018). The widespread impact of SM platforms on entities productivity is seen in many different areas like marketing, operations finance, and social activities of the business and many customer preferences emerge through social media interfaces (Krishnan, 2017).

From a theoretical viewpoint, the Technology Acceptance Model (TAM) indicates that SM platforms offer a variety of applications and tools that can improve services as users exchange and share information. Therefore, the increasing use of SM platforms is due to the efficiency and availability of feature and tools to address the needs of users' and connecting individuals and aiding them to exchange information (Rauniar et al. 2014). The diffusion theory of innovation (DOI) states that since the media society is viewed as an innovation, the use of social networks may depend on individual needs, previous practices, norms, and the uniqueness of social systems (Tajudeen, 2014). Social exchange theory (SET) suggests that when using social networks for sharing between different

communities, the platforms used should provide a suitable space for agreed-upon ways of working (Burnage & Persaud, 2012).

In Kenya, the beauty industry is very dynamic due to new technology where customers are learning more about products and hairstyles and this is driving the growth of the industry (Kawira, Mukulu & Odhiambo, 2019). The beauty industry provides one of the richest sources of employment and is an important source of employment for young people (Lisi, 2011). Therefore, given the importance they attach to the Kenyan economy, beauty salons must constantly seek new opportunities to increase their competitiveness in the highly dynamic market in order to achieve superior performance, be dominant and sustainable (Njagi, 2017). However, despite the wonderful benefits of social media for beauty salons, there are barriers for Kenyan entities to make the most of them. Some of these barriers are related to the inability and inadequate time to used SM platforms (Wanyoike & Kithae, 2019).

1.1.1 Social Media Usage

Social media (SM) is a technological platform that offers commercial and social communications built on technical concept of Web 2.0 (Jafar et al. 2019). SM use is a depository of a large client base and it is a place where client information is stored, and can be used to provide their information for marketing and other purposes in any market (Dodokh, 2017). Social media use includes an internet-based group tool that works on web technologies and ideologies that aid users to develop and share content with different users (AlBuflasa, 2019). Social media comes in various types and forms such as social systems, blogs, information exchange sites, microblogs, social bookmarking platforms, virtual and review sites (Dodokh & Al-Maaitah, 2019). Currently existing social media platforms (for

example, Facebook, LinkedIn and Twitter) play a vital part in human interaction in business's (Çetinkaya & Rashid, 2018).

Social media allows interaction on one or more platforms or services through a shared link and involves varying degrees of engagement by participants who can read, reply, and repost large amounts of information freely and easily (Burnage & Persaud, 2012). Social media platforms provide complete market information, flexible and simple tool of management. Social media enables an organization to communicate more closely with its target audience while raising it to increase brand visibility (Kishokumar, 2016). From a business perspective, effective networking is a key ingredient for success (Parveen, 2012).

Social media applications, which are considered quite interesting, allow individuals, businesses and groups to exchange and share idea, information and feedback (Mahboub, 2018). Social networks provide users with social network identities to create summaries of different social doings, and allow operators to generate and modify user-developed content with less time or location restrictions (Çetinkaya and Rashid, 2018). Social media platforms give consumers confidence to exchange experiences on social media platforms and to appraise endorsements made by persons about services and products (Alawamleh & Murthy, 2020). Social media use among small businesses requires the adoption of advanced and technical tools for communication, relationship building and social interaction (Makvand & Fernandez, 2017).

1.1.2 Firm Performance

Organizational performance entails the process of evaluating firm's performance in comparison to its set goals. The analysis emphasizes mainly on three outcomes namely

financial performance; shareholder value; and market share. Firm performance denotes an entity's attainment or achievement of its goals and objectives (Jenatabadi, 2015). Performance displays the actual outcomes or outputs of an entity as assessed against its expected outputs (Almatrooshi, Singh & Farouk, 2016). Performance is viewed as an outcome aligned with a goal or just a profit and is explained in terms of expected behavioral output as well as outcomes (Ibekwe et al. 2019). Performance is associated with increased profitability and customer service delivery (meeting or exceeding customer needs) (Dodokh, 2017). The probable business success depends on the entity's performance, that is, its capacity to execute its strategies effectively to attain organizational goals (Almatrooshi, Farouk & Singh, 2016).

Performance is considered a central outcome variable from various fields such as marketing, human resources, operations and information systems management (Singh, Potočnik & Darwish, 2016). Job performance is an important indicator of an entity's failure or success. The performance of an entity ensures the strong governance, sound management an unwavering commitment to achieve certain objectives within a certain time-period (Rehman, Mohamed & Ayoup, 2019). The rapid and the dynamic globalizing economy as well as higher organizational performance remains the only indicator for an entities success and competitiveness (Ibekwe et al., 2019).

1.1.3. Social Media Usage and Performance

Social media benefits business entities by connecting directly with end customers and facilitates various public relations and marketing (Jafar et al., 2019). Businesses recognize social media as an important indicator of equity value, which not only improves short-term performance but also provides long-term productivity benefits (Kapoor et al., 2018). Get

valuable information about your competitors using social media firms, help understand your competitors' habits and strategies that can provide competitive advantage, and assist in strategic planning (Dwivedi et al. 2021). SM adoption provides diverse benefits, and some of which positively affects entity's performance (Nawi et al. 2019).

Social media offers a numerous benefits by aiding organizations to generate internet-based clients through improved sales, guaranteed customer satisfaction, and strategies to improve customer service brand (Etim, Uzonna & Worgu, 2018). Social media has provided small businesses with a strategic opportunity to be present in the global business environment and compete with larger firmses (Nawi et al. 2019). It cannot be denied that SM technology is an important source of information and valuable data that ensures the relevance, timeliness, accuracy and traceability of the requested information. Ultimately, this rich data and instant information enables SMEs to make the decision processes they seek in their own businesses faster and better (Mahboub, 2018).

Empirically, Mahboub (2018) noted the significant positive influence of social media use and performance of banking entities with the MENA region in terms of growth, profitability and environmental performance. Parveen, Jaafar, and Ainin (2016) have shown that social media platforms usage directly influences profitability of organizations in terms of improved customer service, cost saving and enhanced data access. Krishnan (2017) stated that social media can positively influences entities by enhancing their visibility, enhancing client satisfaction, better industry relations and improving the organization's overall communication with the global community.

1.1.4. Beauty Salons in Nairobi

The Kenyan beauty sector today has developed into a big sector with over 5,000 beauty and massage businesses nationwide valued at Kshs 13 billion (Njagi, 2017). The industry as a whole has improved with continued liberalization of the Kenyan economy (Musundi, 2010). There are many small and medium sized Beauty Salons in Nairobi County. Massage and beauty salons in Nairobi fall into two main categories; salons and hair salons and many smaller entities offering both services (Njagi, 2017). This beauty Salons offer more general services allied to skin care, foot care , facial care and aromatherapy (such as therapy, mud baths and oxygen therapy) (Lisi, 2011).

However, the Kenyan beauty industry has undergone many changes and growths over the past few years that have affected its competitive situation (Musundi, 2010). This industry has seen the proliferation of salons in city centers as well as in real estate. This requires beauty shops to develop and implement competitive strategies to cope with competitive pressures (Malinga, 2017). As a result, the industry has shown interest in incorporating social media into its business (Musundi, 2010). The introduction of social media brought about new marketing opportunities that can help beauty and massage therapists increase their visibility in the market and possibly increase their leads and sales numbers. Beauty and massage shops use social media because of low costs and minimal technical requirements (Malinga, 2017).

1.2. Research Problem

Social media use among organizations is increasing tremendously (Parveen, Jaafar & Ainin, 2016). Social networks platforms provide comprehensive information, provides

very flexible and simple management tools (Çetinkaya & Rashid, 2018). However, despite the significance of social media, firms continue to be skeptical about the use of social media, often questioning the return on investment in social networks and hesitant to integrate social media initiatives into their strategies and marketing (Etim, Uzonna & Worgu, 2018). There is also significant debate among academics and entrepreneurs concerning the value of using SM platforms at the place of work (Kishokumar, 2016).

In Kenya, beauty salons make significant contributions to the country's economy, especially in Nairobi (Lisi, 2011). Small beauty businesses take advantage of social media by posting different services and products they offer to attract people to their business pages (Camil, 2017). However, this industry is going through a lot of development and change. Many small beauty Salons have sprung up on the outskirts of the central business district, increasing competition, and the rise of large and sophisticated salons offering role-based specialized services such as facials and massage Salons, kitchens, receptions, and even executives' office (Njagi, 2017). In addition, consumers' appetite for diversity has led to increased product launch rates, rapid increases and shorter product cycles. Such indicates that many businesses that offer beauty services need to respond much more quickly to a rapidly changing market.

Various studies have also been undertaken on SM platforms usage and company performance. For example, Cafer et al. (2019) examined whether SM usage in Pakistan affects work performance of employees and documented a negative interrelationship between use of SM platforms and employee productivity, despite the fact that the context of the study is not an SME and therefore there is a context gap. However, Alawamleh and Murthy (2020) in Jordan looked at how social media affects corporate performance and

documented a positive linkage between the use of SM platforms and business performance. Parveen, Ainin and Jaafar, (2016) examined whether the SM usage has an impact on company profitability, though a case study approach and documented that SM usage had a greater impact on corporate profitability.

In Kenya, Koori, Muriithi and Mbebe (2018) examined social media use effects on Kenyan SACCOs profitability and documented that direct linkage between SM usage and profitability though the context was SACCOs. Ondieki (2014) investigated social media effects on corporate organizations in Kenya and documented a direct linkage between SM usage and the entity's performance though the study focused on a single company. The available empirical studies document conflicting results which oscillate from positive to negative or no relationship at all. Thus, the existing results that indicate negative and positives effects of social media have failed to provide organizations with a clear state regarding social media adoption. While most of the researches on the use of social networks is based on the individual perspective, some are also based on the organizational perspective.

Hence, this study seeks to answer the question; does social media usage affect the performance of beauty salons in Nairobi?

1.3. Research Objectives

i. To establish the extent of social media usage by beauty salons in Nairobi central business district.

ii. To establish the challenges hindering the adoption of social media by beauty salons in Nairobi.

iii.   To determine the relationship between social media usage and the performance of beauty salons in Nairobi.

1.4 Value of the Study

The study's findings shall be useful to the management and owners of beauty salons in Nairobi to make appropriate response strategies to enhance their social media strategies hence performance improvement. The beauty salons can use the study recommendations and conclusions to formulate appropriate policies on enhancing their firms' performance.

The findings will also be of benefit to policymaking entities in the beauty industry and government agencies who are tasked with policy formulation. The policymaking entities can use the study conclusions and recommendations to develop social media usage strategies and to enhance performance of the small and medium beauty salons in Nairobi .

Finally, the findings will add to the obtainable literature on SM usage and organizational performance. The study shall add to the theoretical literature on the technology adoption theory, innovation diffusion (DOI) theory and the social exchange theory. The paper shall as well form a base for upcoming researches as well the forthcoming scholars can adapt the study to be a base for their study.

CHAPTER TWO

LITERATURE REVIEW

2.1. Introduction

This chapter brings out the study's theoretical underpinnings and the various uses of social media by organizations. The chapter further presents literature on barriers hindering the adoption of SM by SMEs and a review of various studies under empirical review and presents the study's conceptual model.

2.2. Theoretical Review

The technology acceptance model (TAM), diffusion innovation theory (DOI) and the social exchange theory (SET) will form the study's underpinning theoretical foundation.

2.2.1. Technology Acceptance Model

This theory was proposed by Davis (1989) and explains that when individuals are introduced to a novel technology, different variables will affect their decisions about how and how to adopt it. The two fundamental elements that effect the decision are the perceived usefulness (PU) and the perceived easiness to use (PEOU) of the specific innovation. PU describes users' perceptions of how much technology will enhance their job output and ease of usage in relation to users' perceptions of how much effort is required to use it (Nistor et al., 2011). TAM argues that individual attitudes regard a particular technology affects their intention to use and adoption of technology (Araújo & Zilber, 2016).

The theory argues that an individual actual use (actual usage behavior) of a technology is influenced directly by behavioral intent (use intent). In contrast, behavioral intention is

affected both by the individual's perception of usefulness and by their attitude towards the innovation (Dumpit & Fernandez, 2017). The analysis of TAM's in combination with it predicative abilities make it to apply the model in various settings. However, whereas frugality is TAM's strong point, it leads to the theory's key weakness. Though the theory is full predictive, the model fails to provide system designers with adequate insight to provide the necessary information to drive individual acceptance of newer technologies (Nistor et al., 2011). In addition, TAM theory fails to address the role of different users who play an important part in influencing usage and adoption of new technology (Rauniar et al. 2014).

TAM indicates that when individuals are introduced to a newer technology, various factors play a role in their decisions about how and when to use it (Ibekwe et al. 2019). TAM remains one of the most adopted models due to its robustness, applicability and simplicity to explain and predict influence that affect an individual's acceptance behavior of innovations (Dumpit & Fernandez, 2017). In the perspective of social media usage, TAM indicates that individuals can rate a social media platform based on its ease of usage and its effectiveness in assisting them to address the SM usage need. Thus, SM tools and applications should be user-friendly, and the SM platforms ought to be simple for maiden users and effectual in ensuring responsibilities are undertaken.

2.2.2. Diffusion of Innovation Theory

Rogers' (1983) Diffusion of Innovations (DOI) model explains why, how and also how fast innovations (ideas or technologies) spread. DOI defines adoption patterns, exemplifies the method, and aids entities to understand whether and how an innovation can be successful (Vyas, 2013). The DOI approach indicates that factors such as compatibility, complexity,

testability, relative advantage and observability affects innovation diffusions and any decision on the process of innovation (Moran, 2014). Thus based on the theory, social media platforms facilitates the process of diffusing an innovation with its potent, user centered, interactive, accessible structure and the prospects it offers to users, has additional control over the content and permits users to be productive (Koçak, Kaya & Erol, 2013).

The theory explains diffusion as a tool under which invention is conveyed via specific networks to users of a specific system over time (Moran, 2014). However, the prevalence of innovation theory has been met with heavy criticism. This model' main criticisms is that the theory fails to acknowledge the social aspects of innovation adoption in entities. Further, the theory is considered too simple to deal with the problems of the social context under which innovation and IT adoption take place in an entity (Vyas, 2013). Moreover, the theory fails to explain the organization and human environment interaction and fails to bring out the environmental and social perspectives required to complement the practical outlook for successful adoption of IT (Tajudeen, 2014).

The theory states that when social media is seen as an innovation, the previous conditions are the same as preceding practices, users' needs, innovation and norms of a social system and can be used to explain social media use (Peslak, Ceccucci & Sendall, 2012). The enormous expansion of social media and the increasing opportunity to experience the novel and thrilling platforms is forcing people to become increasingly interested in social media (Koçak, Kaya & Erol, 2013). Therefore, social media provides a channel through which organizations can quickly disseminate certain messages of interest to a wide audience (compared to other communication channels such as press releases or paychecks). This model authenticates concepts concerning SM influence on information dissemination.

Information sharing through social networks is determined by a various of technological factors such as functionality, comfort, platform or structure, usability, user needs, interface design among others.

2.2.3 Social Exchange Theory

This theory was conceptualized by Blau (1964) and explains the process of information exchange between individuals, groups and online communities. The theory describes individuals' behaviors mostly, which maximize their social interaction benefits. An individual's ability to maintain and develop social interactions with the rest is essential for societal change. In addition, individuals want to exchange knowledge if they desire to create professional reputation and identity in the pertinent societies (Jafar et al. 2019). In this model, social associations are discussed in terms of the priority of benefits and costs shared during interactions (Parigi, Santana & Cook, 2017).

The SET argues that the decisions of all entities to participate in an association are based on comparison of alternatives and subjective cost-benefit analysis (Faraj & Johnson, 2011). After evaluating rewards and costs, individuals engage in an exchange and enter into relationships where they can maximize benefits and minimize costs (Jafar et al., 2019). Actors will enter the stock market if the ensuing benefits are valuable and the benefits received exceed the perceived costs. Interaction can only continue if both parties feel that the exchange benefits more than they give up (Nunkoo, 2016). However, the main problem with SET is the measurement of its variables. Social expectations that lead to widespread obligations as well as costs and rewards are difficult to measure because they differ among individuals (Wu, Lin & Lin, 2006).

This theory states that social behavior emanates of an exchange process whose aim is to minimize costs and to maximize benefits (Faraj & Johnson, 2011). The theory postulates that individuals' rate knowledge among communities positively if the information received from such groups reliable (Nunkoo, 2016). With regard to the use of social networks, online social platforms represent a perfect platform for exchange of information between small and medium-sized entities, as they offer the possibility of maintaining social relationships at comparatively lower costs. The theory confirms that the information dissemination in online groups is a users' behavior and a certain exchange among entities. The use of SM in the workplace improves knowledge sharing leading to improved job performance.

2.3. Organizatinal Uses of Social Media

There are several ways to use social media. This includes information searching and sharing, branding, market research, advertising, receiving referrals, reaching new customers, communicating with clients, developing customer relationships, conducting customer service research, and getting customer feedback (Etim, Uzonna & Worgu, 2018). This study will focus on SM communication, knowledge sharing, information searching and SM marketing.

Social media enables two-way communication between customer and entities and enables personnel to respond to customer issues (Schlagwein & Hu, 2017). Social media helps in collaborative communication between the potential and existing clients, obtaining feedback, product development, product definition or any client support and service (Kalkan & Bozkurt, 2017). Firms are using social media to meet the growing need for a new, interactive and seamless way to communicate with a wide variety of consumer groups and customers across the globe (Nawi et al. 2019). SM is also applied in organizations that

work as a communication tool among employees. Employees communicate through social media and contribute to the image and reputation of the company (Tajudeen, Jaafar & Ainin, 2018).

Social media facilitates real-time information exchange and interaction between users (Schlagwein & Hu, 2017). Sharing of knowledge entails disseminating knowledge and collaborating with others to address difficulties, implement processes and create novel concepts (Gaál et al. 2015). Information is an important resource in today's organizational environment (Wu, Lin & Lin, 2006). Social media can facilitate information mitigation by providing essential information, finding knowledgeable people, providing virtual context, intelligence team mining, and building trust. Today, SM platforms like Twitter and Facebook aids entities to share and disseminate with different individuals while getting feedback from the public (Schlagwein & Hu, 2017).

Social media also enhances access to information by aiding entities to gather additional information about markets, industry insights, product feedback, new trends, competitors' tactics, and client needs (Dodokh & Al-Maaitah, 2019). Using information gathered from social media helps businesses to develop dependable attributes in their decision-making processes, including social, economic and environmental aspects (Kapoor et al. 2018). Organizations are thus able to provide services and products demanded customers by using data from social media. It further enhances life quality of life and reduces wastage (Dwivedi et al. 2021). Social media marketing is also a platform that enables sharing of information and media user engagement for content creation and/or distribution (Dodokh, 2017).

2.4. Challenges Hindering Adoption of Social Media

Social media has been revealed to be a powerful tool in shaping consumer thinking (Rahman et al. 2020). However, even if small businesses see SM as a positive and useful tool for their firms, they encounter obstacles when they want to use it. Compared to a larger company, most small businesses view the barriers to implementing IT into their business as costly enterprise, risky, complex procedures, foreign techniques, and customer service (Araújo & Zilber, 2016). Some of the challenges are limited resources, unclear corporate responsibility/ ownership for social media, SM negative attitudes, authorization over SM content and economic difficulties.

Businesses with limited technical knowledge and resources are particularly unwilling to use SM platforms strategically to aid them achieve their sustainability objectives. Some firms also lack the human resources to effectively manage social networks, the lack of time to explore and learn about social networks, and the funds to hire a social media specialist (Rahman et al., 2020). Alsharji, Ahmad, and Jabeen (2017) revealed in their study that social media adoption among UAE-based SMEs is significantly influenced by relative advantage, talent perceived compatibility, knowledge and expertise of managers/owners, management features, and pressure from customers and competitors.

2.5. Empirical Review

Lee and Lee (2020) studied whether social media usage in the workstation influences workers job performance. The authors also analyzed whether the use of SM usage has varying effects on individual work productivity based on the task characteristics. The findings indicate that SM usage had a linear positive impact on individual job performance.

The study concluded that using social media platforms like KakaoTalk and Facebook at the workplace enhances business profitability and firms should encourage personnel to adopt this approach.

A study by Osoro (2020) explored corporate social networks and their effect on employee performance. Information was gathered from 38 participants by use of questionnaires from an IT company in Uganda. The Structural Equation Model was used for data analysis. The outcomes show that corporate social media improves employee performance. In large organizational units, networking and knowledge sharing positively affected business performance. Networking, shared vision, trust and knowledge sharing in small organizational units positively affects performance.

Etim, Worgu and Uzonna (2018) studied whether social media use affects corporate performance of Nigerian telecommunications entities. Data were collected from 76 respondents using questionnaires from four telecommunications firms, with correlation analysis used to analyze data. The authors indicated that the social media usage significantly and positively affected profitability and market share performance measures.

Kimotho and Misango (2018) examined social media use effects on bank performance in Kenya. The research was descriptive and collected from 103 participants using a questionnaire. The study used correlation analysis and the multiple regression to analyze data. Research showed a weak and positive association between social media engagement and corporate profitability.

2.6. Conceptual Framework

This study conceptual model comprises of social media usage proxied by social media communication, knowledge sharing, information searching, marketing and advertising as independent variable and firm performance as dependent variable displayed in Figure 2.1.

Independent Variable　　　　　　　　　　　**Dependent Variable**

| **Social media usage** |
| • Communication |
| • Knowledge sharing |
| • Information searching |
| • Marketing |

→

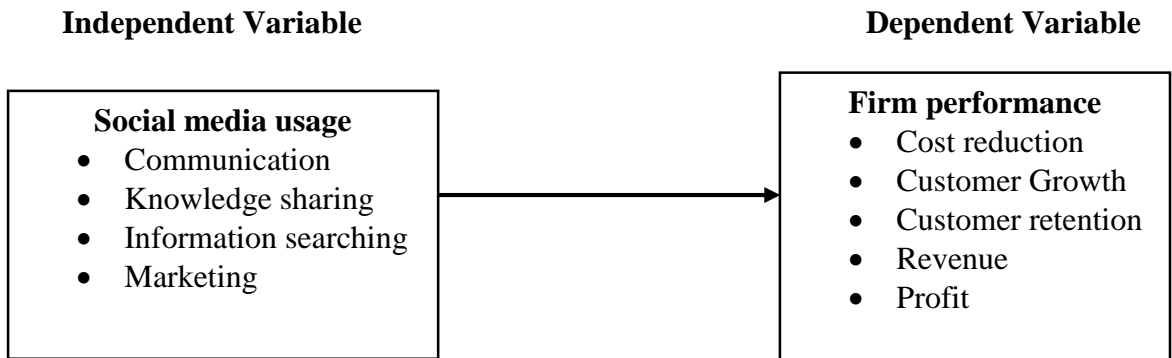| **Firm performance** |
| • Cost reduction |
| • Customer Growth |
| • Customer retention |
| • Revenue |
| • Profit |

Figure 2.1: Conceptual Framework

Source: Author (2021)

CHAPTER THREE

RESEARCH METHODOLOGY

3.1. Introduction

In this section, study design, study population, sample design, and data collection and analysis methods are presented. The main purpose of any research is to find unknown and undiscovered facts and facts. In this context, a methodology is used to acquire certain skills, find, establish or test a hypothesis.

3.2. Research Design

A research designs entails the research procedures and strategies that span the assumptions of broad decisions to in depth techniques of gathering and data analysis (Malhotra, 2010). This research employed a descriptive research design. This approach is used to examine variables without manipulating them and to report the different attributes that define competencies. Descriptive research design is critical in measuring and establishing cause and effect link among variables. Descriptive research is used to examine variables without manipulating them and to report the different attributes that define competencies. In addition, a descriptive study design is used when an investigator aims to explain a particular behavior as it happens in the environment (Cooper & Schindler, 2008). The descriptive design provides a description of quantitative trends, attitudes and perceptions of the study sample.

3.3. Target Population

Population denotes the whole collection of entities, objects or events with a collective observable attributes (Cooper & Schindler, 2008). Data from the Nairobi capital city shows

that there were 4,250 beauty salons. The study population was thus made of 4,250 beauty salons in Nairobi.

3.4. Sample Design

The sample design determines the sample size and the sampling technique. This study sampled 100 beauty salons in Nairobi. The sample was determined using the Yamane (1967) sample size determination formula and was obtained through purposive sampling which is a non-probability sampling where researchers depend on their own judgment while choosing firms to participate. The sample size was arrived at as follows

$$n = \frac{N}{1 + N(e^2)} = \frac{4,250}{1 + 4,250(0.1^2)} = 100 \ respondents$$

Where; n= desired sample size, N = Population size (N=4,250), e = Sampling error (10%)

3.5 Data Collection Procedure

This study used primary data which was gathered through a questionnaire. The questionnaire shall be categorized into three sections where the first part collected data on the business general information. The second and the third sections included Likert scale based questions which relates to data on the extent of SM usage, barriers affecting social media adoption as well as organizational performance. The questionnaires were dropped to the beauty salons managers or their equivalents and be picked later. A questionnaire is an effective way of collecting an extensive range of data from a large sample and is generally easy to analyze (Saunders, Lewis & Thornhill, 2009).

3.6. Data Analysis

In this research, descriptive and inferential statistical tools were employed for the analysis of the collected data using the SPSS statistical software. In descriptive statistics, central measures, such as average, standard deviation, minimum and maximum were used to organize and summarize collected data in a meaningful way. Inferential statistics comprised the multiple regression analysis, which was employed to assess the link between the dependent, and explanatory variables and the analyzed data was presented in graphs, charts and tables. The regression model was formulated as follows

$$Y = \beta_\circ + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \varepsilon$$

Where;

Y = Firm performance, X_1 = Social media communication, X_2 = Social media knowledge sharing, X_3 = Social media information searching, X_4= Social media marketing, $\beta_\circ$ = Constant, $\beta_1 - \beta_5$ = Regression coefficients & ε = Error term

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents the finding of the analysed data, results and interpretation of the findings. Specifically, the chapter includes the response rate results, the demographic analysis results, the descriptive results on extent of social media usage, challenges hindering social media usage and organization performance. Finally, the chapter present the regression analysis result and finally a discussion of the findings.

4.2 Response Rate

In this study, a sample size of 100 respondents were selected. However, complete data was obtained from 81 respondents, which led to 81 per cent response rate. The 81% response rate was deemed sufficient enough since it was more than 50 per cent as suggested by Mugenda and Mugenda (2008) who affirmed that 50 per cent response rate is acceptable to proceed with analysis, and publication, 60 per cent being good while 70 per cent being excellent. Table 4.1 tabulates the results.

Table 4.1: Response Rate

	Frequency	Percent
Returned questionnaires	81	81.0
Unreturned questionnaires	19	19.0
Total	100	100.0

Source: Research Data (2021)

4.3 Demographic Analysis

This entailed an analysis of participants' job position, gender, years worked with the firm, number of employees, average no of customers served per day and the commonly used social media sites.

4.3.1. Respondents' Job Position

This section presents the results on the respondents' job positions. Figure 2.1 shows the results
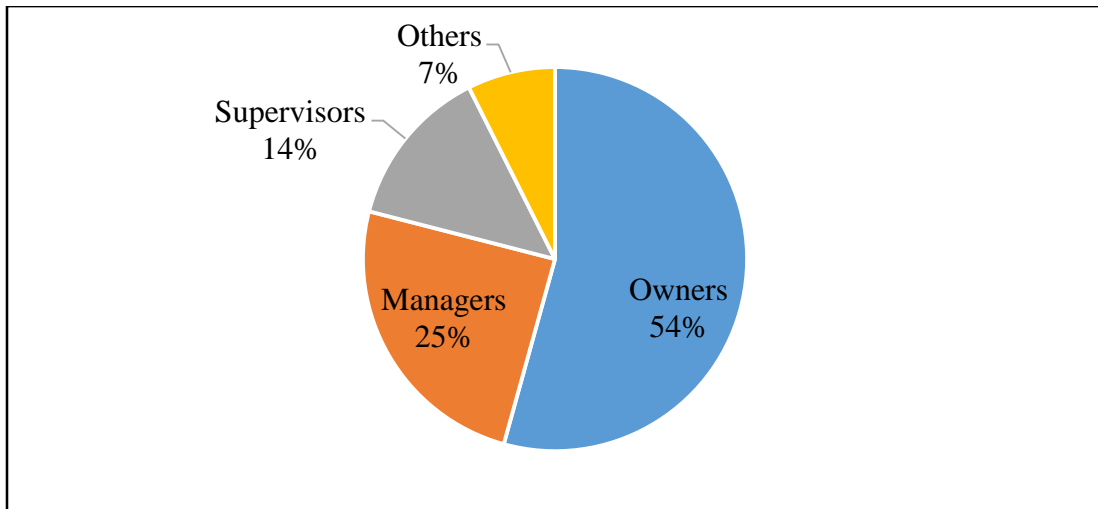
Figure 4.1: Respondents Job Position
Source: Research Data (2021)

Figure 4.1 shows that 54% of the participants' were owners (proprietors) of the beauty salons while 25% were managers of the beauty salons. The study also indicated that 14% of the respondents were supervisors' while 7% of the respondents belonged to other categories that included personnel, clerical and administrative staff. This finding indicates that most of the beauty salons were ran by the owners who also served as managers and employees of the entities.

4.3.2 Gender

The participants were required to indicate their gender. The results were as follows
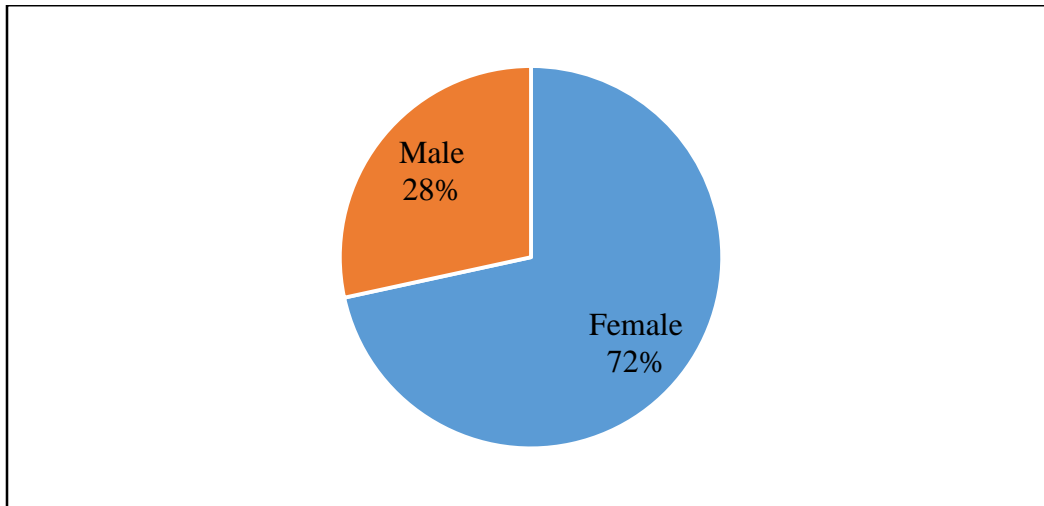
Figure 4.2: Gender
Source: Research Data (2021)

Figure 4.2 shows that the female participants were 72%, while male comprised of 28%.

This indicates that majority of the respondents were female which indicates that the beauty

sector in Nairobi and Kenya in general is largely dominated by women

4.3.3 Respondents Experience

This intended to determine the years the respondents had worked with the firm. The results

were as follows
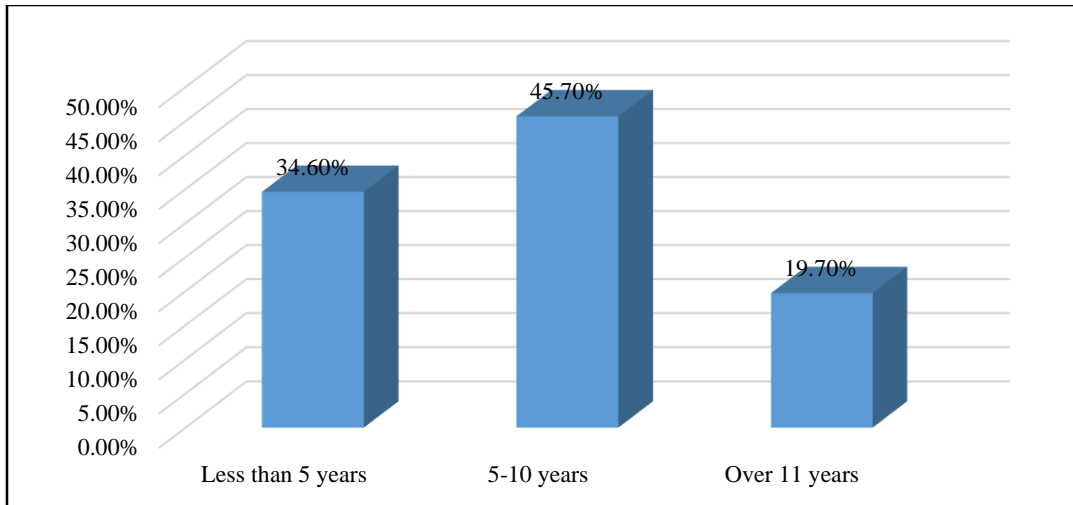
Figure 4.3: Experience
Source: Research Data (2021)

Figure 4.3 shows that majority of the respondents had worked in beauty salons for a period of 5-10 years whereas 34.6% had worked for a period of less than 5 years while 19.7% had worked for more than 11 years. The finding indicates that on average majority had worked in beauty salons for more than 5 years which imply that they were conversant with the sectors operations.

4.3.4 Number of Employees

The participants were required to state the number of employees in their firms. Figure 4.2 shows the results
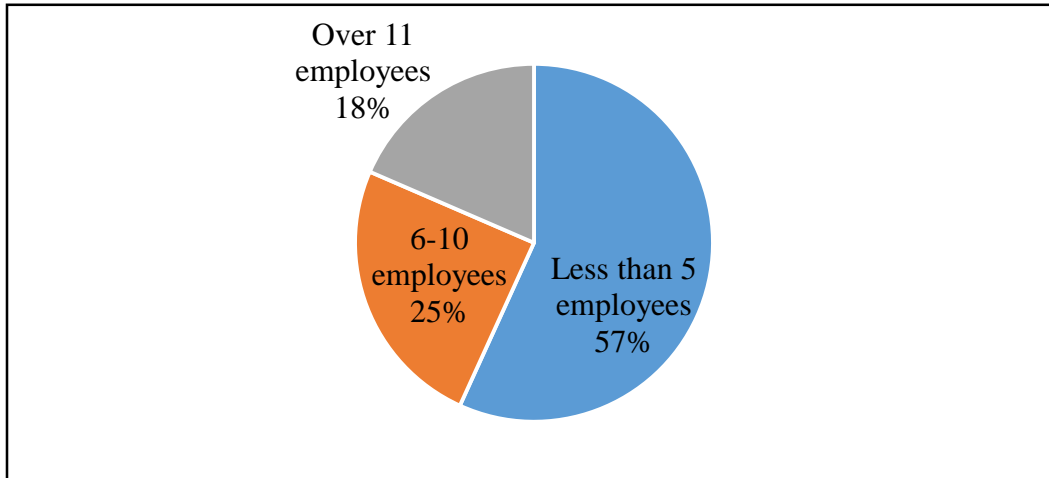
Figure 4.4: Number of Employees
Source: Research Data (2021)

The finding on figure 4.4 shows that majority 57% of the beauty salons had less than five employees while 25% of the beauty salons had 6-10 employees. On the other hand, 18% of the beauty salons had more than 11employees. This finding therefore indicates that majority of the beauty salons had less than 10 employees which is an indication that they were small-seized entities.

4.3.5 Age of the Firms

The participants were requested to state the number of years their firms had been in operation. Table 4.2 shows the results

Table 4.2: Age of the Firms

Years	Frequency	Percent

5 years or less	26	32.1
6 years -10 years	35	43.2
Over 11 years	20	24.7
Total	81	100.0

Source: Research Data (2021)

Table 4.2 shows that majority 43.2% of the beauty salons had been operation for 6 − 10 years whereas 32.1% operated for less than 5 years. Similarly, 24.7% of the beauty salons operated for more than 11 years. The findings thus indicate that majority of the beauty salons had been operation for more than 5 years hence they had enough experience on the operations of the sector.

4.3.6 Average Number of Customers Served Per Day

The participants were required to indicate the average number of customers they served per day. The results were as follows
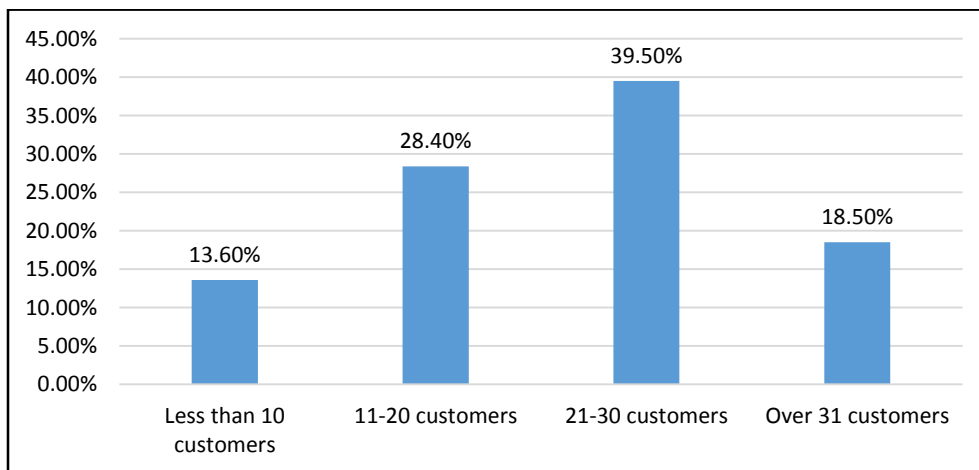
Figure 4.5: Average Number of Customers Served Per Day
Source: Research Data (2021)

Figure 4.5 shows that majority 38.5% of the beauty salons served around 21-30 customers per day while 28.4% served around 11-20 customers. Further, the findings indicate that 18.5% of the beauty salons served more than 31 customers while 13.6% served less than 10 customers. On average the findings indicate that the beauty salon serve more than 10 customers in a normal day.

4.3.7 Commonly Used Social Media Sites

This section sought to determine the mostly used social media sites by the beauty salons within Nairobi. Figure 4.3 shows the results
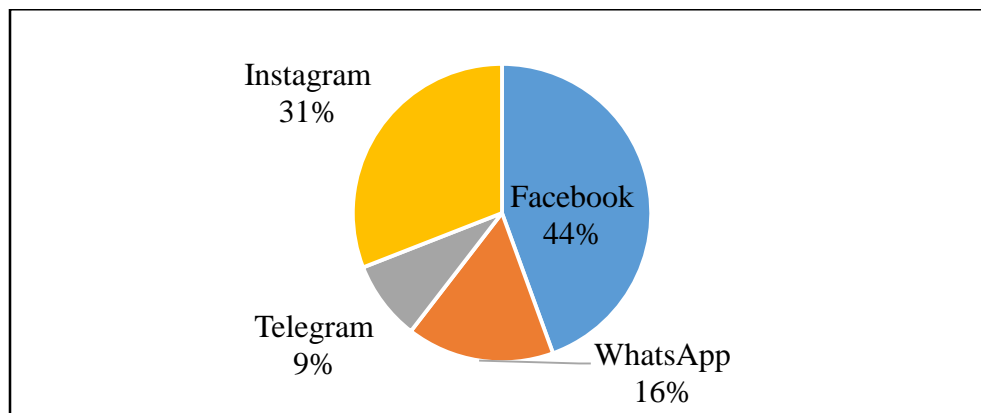
Figure 4.6: Mostly used Social Media Sites
Source: Research Data (2021)

Figure 4.3 indicates that majority 44% of the beauty salons preferred Facebook as their main social media sites, while 31% preferred Instagram as their social media site. On the other hand, 16% preferred using WhatsApp whilst 9% used Telegram respectively. This finding indicates that Facebook and Instagram are the mostly used social media sites by beauty salons in Nairobi.

4.4 Social Media Usage

This section sought the views of the respondents on the extent of social media usage by their firms. The respondents were required to respondent to different statement on a scale of 1- 5 where 1 represented no extent, 2 indicated little extent, 3 represented moderate extent, 4 indicated large extent while indicated very large extent. This study placed emphasis on communication, knowledge sharing, information searching, marketing and advertising. The results were as follows.

4.4.1 Communication

Table 4.3: Communication

Statement	Mean	Std. Deviation
Speeding up information dissemination within the firm	4.2099	.64645
Promoting collaborations with the firm and stakeholders	4.6049	.49191
Informing customers on their market presence	4.5432	.54885
Making presence known on of the firm product	4.2840	.45372
Communicating products and services of the firm	4.0864	.93805
Bridging communication gap within the firm	4.2963	.60093
Composite mean and standard deviation(SD)	4.33745	.61332

Source: Research Data (2021)

Table 4.3 shows that the beauty salons uses social media to a large extent to speed up information dissemination within the firm (mean=4.2099, SD=0.64645) and that social media communication largely promoted collaborations with the beauty salons and stakeholders (mean=4.6049; SD=0.49191) respectively. The finding also indicate that the beauty salons uses social media to a large extent to inform customers on their market

presence (mean=4.5432; SD=0.54885) and provides a platform which makes the beauty salons products to be known (mean=4.2840; SD=0.45372) respectively. Further, the findings indicate that beauty salons use social media to a large extent to communicate their products and services of the firm (mean=4.0864; SD=0.93805) and bridge communication gap within the firm (mean=4.2963; SD=0.60093) respectively. The composite mean value of 4.33745 (SD=0.61332) indicates that beauty salons in Nairobi use social media communication to a large extent to speed up information dissemination, to promote collaborations with stakeholders, to inform customers on their market presence, to communicate products and services and to bridge communication gaps within the firm.

4.4.2 Knowledge Sharing

Table 4.4: Knowledge Sharing

Statement	Mean	Std. Deviation
Sharing of content within the firm	4.1975	.65992
Sharing experiences on social platforms	4.6296	.55777
Sharing of content with stakeholders	4.2469	.58161
Composite mean and SD	4.3580	.59977

Source: Research Data (2021)

Table 4.4 shows that beauty salons uses social media to a large extent to share content within the firm (mean=4.1975; SD=0.65992) and to share experiences on social platforms (mean= 4.6296; SD=0.55777) respectively. The findings further indicates that the beauty salons uses social media to share content with stakeholders (mean=4.2469; SD=0.58161) respectively. The composite mean value of (4.3580; SD=0.59977) indicates that beauty salons in Nairobi share knowledge, content and experience to a large extent within the firm.

4.4.3 Information Searching

Table 4.5: Information Searching

Statement	Mean	Std. Deviation
Speeding information seeking within firm	4.3086	.46481
Informing on new trends on the firm	4.5679	.49845
Obtaining information about the market	4.3827	.48908
Informing on the industry competition of the firm	4.3457	.47855
Composite mean and SD	4.4012	.48272

Source: Research Data (2021)

Table 4.5 shows that beauty salons use social media to a large extent to speed information searching within the firm (mean=4.3086; SD=0.46481) and search information on new trends regarding the firm (mean=4.5679, SD=0.49845) respectively. The results further indicate that the beauty salons uses social media to a large extent to obtain information about the market (mean=4.3827; SD=0.48908) and obtain information on the industry competition (mean=4.3457; SD=0.47855) respectively. The composite mean value of 4.4012 (SD=0.48272) indicates that beauty salons in Nairobi search information through social media platform at a large extent to speed up information on new trends, information about the market and industry competition.

4.4.4 Marketing

Table 4.6: Marketing

Statement	Mean	Std. Deviation
Promoting the brand awareness of the firm	4.6173	.48908
Increasing the visibility of the firm's brand	4.2593	.44096
Connecting a firm directly with its customers	4.0123	.51220
Creating market presence	4.2593	.49441
Advertising new product of the firm	4.5309	.50216
Communicating market price of the product of the firm	4.2840	.45372
Composite mean and SD	4.3272	.48209

Source: Research Data (2021)

Table 4.6 shows that the beauty salons use social media to a large extent to market ,
promote and create firm brand awareness (mean=4.6173; SD=0.48908)to increase
visibility of their firm's brand (mean=4.2593; SD=0.44096) respectively. The findings also
indicate that the beauty salons use social media to a large extent to marketing the firms
directly with customers (mean=4.0123; SD=0.51220) and to create market presence
(mean=4.5309; SD=0.50216) respectively. The findings indicate that the beauty salons use
social media to a large extent to market and advertise the firms' new products
(mean=4.5309; SD=0.50216) and to communicate their products prices (mean=4.2840;
SD=0.45372) respectively. The composite mean value of 4.3272(SD=0.48209) indicates
that beauty salons in Nairobi use social media marketing to a large extent to promote the
firms brand awareness, to enhance brand visibility, create connection with customers, to
create market presence, to advertise and to communicate their firms products.

4.5. Challenges Hindering Adoption of Social Media

This section sought the views of the respondents on the various challenges hindering the adoption and use of social media on scale of 1 to 5 where 1 represented not at all, 2 indicated little extent, 3 represented moderate extent, 4 indicated large extent while 5 represented very large extent. The results were as follows

Table 4.7: Challenges Hindering Adoption of Social Media

Challenge	Mean	Std. Deviation
Lack of ability and time to use social media platforms	3.6173	.51400
Lack of time to use social media	3.4444	.61237
Lack of technical knowledge	2.2840	.75372
Lack of human resources to manage social media effectively	2.4815	.50277
Lack of funds to hire a social media specialist	3.0370	.81309
Social media is an expensive and risky initiative	1.8519	.59395
The responsibilities of companies on social networks are unclear	1.9383	.84181
Negative attitudes towards social media by management	1.5062	.61489
Inability to ascertain returns in social media investments	3.8889	.68920
Difficulty in maintaining privacy	4.2469	.43390
Difficult in controlling the Terms of agreement	4.1198	.49659
Inability to ascertain user security on social media	3.6914	.64502
Difficulty to ascertain authenticity of online users	4.0123	.62237

Source: Research Data (2021)

Figure 4.7 indicates that the respondents indicated that lack of ability and time to use social media platforms moderately affected social media usage (mean=3.6173; SD=0.51400) and that lack of time to use social media was a moderate challenge (mean=3.4444; SD=0.61237) respectively. The respondents also indicated that lack of technical knowledge (mean=2.2840; SD=0.75372) was not a major challenge and that lack of human resources

to manage social media had a little effect on social media usage (mean=2.4815; SD=0.50277) while lack of funds to hire a social media specialist moderately affected social media usage (mean=3.0370; SD=0.81309) respectively. The respondents indicated that social media was not an expensive and risky initiative (mean=1.8519; SD=0.59395) and that responsibilities of companies on social networks were clear (mean=1.9383; SD=0.84181) respectively.

Further, the respondents indicated that the beauty salon management did not have negative attitudes towards social media usage (mean=1.5062; SD=0.61489) and that the inability to ascertain returns in social media investments had a little effect on social media usage by beauty salons (mean 1.8889; SD=0.68920) respectively. The results however indicated that difficulty in maintaining privacy largely affected social media usage (mean=4.2469; SD=0.43390) and difficulty in controlling the terms of agreement largely affected social media usage (mean=4.1198; SD=0.49659) respectively. Further, the results indicated that difficulty in ascertaining authenticity of online users largely affected social media usage (mean=4.0123; SD=0.62237) while the inability to ascertain user security on social media had a moderate effect on SM usage (mean=3.6914; SD=0.64502) respectively.

The above results indicate that social media was moderately affected lack of ability and time to use social media platforms, lack of funds to hire a social media specialist and the inability to ascertain user security and social media returns respectively. On the other hand they major challenges affecting social media adoption by beauty salons included difficulty in maintaining privacy, difficult in controlling the terms of agreement and difficulty to ascertain authenticity of online users. Overall mean for the challenges was 3.09. That means the challenges were faced to a moderate extent.

4.6. Social Media Use and Organization Performance

Organization performance was assessed using various metrics do determine the beauty salons average performance over the previous two years. The results were as follows.

Table 4.8: Organization Performance

Metric	Mean	Std. Deviation
Cost reduction	3.7284	.93558
Customer growth	3.8148	.96321
Increase in number of customers	3.9630	.81309
Customer retention	3.6173	.48908
Revenue	4.0370	.91439
Profit	3.1481	.70907

Source: Research Data (2021)

Table 4.8 shows the beauty salons had moderately reduced costs (mean=3.7284; SD=0.93558) and had a moderate growth in the number of customers (mean=3.8148; SD=0.96321) respectively. The beauty salons had moderately increased their number of customers (mean=3.9630; SD=0.81309) and had a moderate customer retention (mean = 3.6173; SD=0.48908) respectively. The findings further indicated that the beauty salons had largely grown in terms of revenues (mean=4.0370; SD=0.91439) however, their profits had moderately increased over the study period (mean=3.1481; SD=0.70907) respectively.

4.7 Regression Analysis

Regression analysis was undertaken to establish the link between the explanatory (communication, knowledge sharing, SM information searching and marketing) and the response variable (organization performance). The results were as follows.

4.7.1 Model Summary

Table 4.9: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.811[a]	.657	.639	.82333

a. Predictors: (Constant), Marketing, Information searching, Knowledge sharing, Communication

Source: Research Data (2021)

Table 4.9 shows that communication, knowledge sharing, information searching, marketing and advertising accounted for 65.7% of the variation in the dependent variable (organization performance). This is indicated by the R square value (coefficient of determination) of 0.657 (65.7%). Thus, 34.3% of the variation is accounted for other factors not considered by the research.

4.7.2 Analysis of Variance

Table 4.10: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	98.718	4	24.680	36.407	.000[b]
1	Residual	51.519	76	.678		
	Total	150.237	80			

a. Dependent Variable: Organization performance

b. Predictors: (Constant), Marketing, Information searching, Knowledge sharing, Communication

Source: Research Data (2021)

Table 4.10 shows that the regression model is appropriate and suitable for the study. This is indicated by the F-statistics value of 36.407 which is statistically significant at 95% confidence interval as shown by the P-value (0.000<0.05) respectively.

4.7.3 Regression Coefficients

Table 4.11: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-11.221	1.904		-5.893	.000
	Communication	.306	.075	.361	4.054	.000
	Knowledge sharing	.870	.334	.197	2.609	.011
	Information searching	1.736	.439	.335	3.958	.000
	Marketing	.513	.078	.464	6.603	.000

a. Dependent Variable: Organization performance

Source: Research Data (2021)

Table 4.11 indicates that social media communication recorded a positive (B=0.306) and significant (P-value=0.000<0.05) effect on organizational performance whereas knowledge sharing (B=0.870) had a positive and significant (P-value=0.011<0.05) effect on organizational performance respectively. Further, information search recorded a positive (B=1.736) and significant (P-value=0.000<0.05) effect on organizational performance whereas social media marketing recorded a positive (B=0.513) and significant (p-value=0.000<0.05) effect on organizational performance.

4.8 Discussion of the Findings

The findings revealed that social media communication recorded a positive (B=0.329) and significant (P-value=0.000<0.05) effect on organizational performance. This indicates that

a unit increase in social media communication positively enhances performance of beauty salons by 0.329 units' hence social media communication significantly affects performance of beauty salons in Nairobi. A study by Mahboub (2018) noted the significant positive influence of social media use and performance of banking entities with the MENA region on the basis of growth, environmental performance and profitability. According to Kalkan and Bozkurt (2017) social media helps in collaborative communication between the potential and existing clients, obtaining feedback, product development, product definition or any client support and service. However, Cafer et al. (2019) documented a negative interrelationship between use of SM communication and productivity.

The study also documented that knowledge sharing (B=0.787) had a positive and significant (P-value=0.011<0.05) effect on organizational performance. This finding implies that knowledge sharing though social media platforms enhances performance of beauty salons by 0.787 units' hence social media knowledge sharing significantly affects performance of beauty salons in Nairobi. A study by Parveen, Jaafar, and Ainin (2016) documented that social media platforms usage directly influences profitability of organizations in terms of improved customer service, cost saving and enhanced data access. According to Gaál et al (2015), sharing of knowledge entails disseminating knowledge, collaborating with others to address difficulties, implement processes, and create novel concepts. A study by Osoro (2020) documented that corporate social media improves performance whilst Etim, Worgu and Uzonna (2018) indicated that the social media knowledge sharing significantly and positively affected profitability and market share performance measures.

The findings revealed that information search recorded a positive (B=1.826) and significant (p-value = 0.000<0.05) effect on organizational performance. This finding therefore indicates that information search through social media sites enhance beauty salons by 1.826 units hence social media information searching significantly influences performance of beauty salons in Nairobi. A study by Krishnan (2017) stated that social media information search can positively influences entities by enhancing their visibility, enhancing client satisfaction, better industry relations and improving the organization's overall communication with the global community. Lee and Lee (2020) indicate that SM usage had a linear positive effect on individual job performance and concluded that using social media platforms at the workplace enhances business profitability and companies should encourage personnel to adopt this approach. Ondieki (2014) documented a direct linkage between SM information searching and the entity's performance.

The results further indicated that social media marketing recorded a positive (B=0.056) and significant (P-value=0.000<0.05) effect on organizational performance. This result implies that marketing through social media platforms positively affected performance of beauty salons by 0.056 units' hence SM marketing significantly influences performance of beauty salons in Nairobi. In their study, Alawamleh and Murthy (2020) documented a positive linkage between the use of SM platforms and business performance. A study by Parveen, Ainin and Jaafar, (2016) documented that SM marketing had a greater impact on corporate profitability. Kimotho and Misango (2018) documented a positive association between social media marketing and corporate profitability.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1. Introduction

This chapter summarizes the study findings and gives the study conclusions and recommendations. The section also outlines the study limitations and suggestions for additional research.

5.2. Summary of the Findings

This study aimed at examining the relationship between usage of social media and the performance of beauty salons in Nairobi. The study made use of a descriptive research design and the study's population was made of the 4,250 beauty salons. The study sampled 100 beauty salons in Nairobi and used primary data, which was gathered using a questionnaires which were dropped to the beauty salons managers or their equivalents and picked after one week. In this research, descriptive statistical and the regression were employed for the analysis of the collected data using the SPSS statistical software. Complete data was obtained from 81 respondents, which led to 81% response rate that was believed to be sufficient for the study since it was more than 50%.

The descriptive statistics revealed that beauty salons in Nairobi use social media communication largely to speed up information dissemination, to promote collaborations with stakeholders, to inform customers on their market presence, to communicate products and services and to bridge communication gaps within the firm. In addition, beauty salons in Nairobi search information through social media platform at a large extent to speed up information search on new trends, information about the market and industry competition.

Further, beauty salons in Nairobi share knowledge through the social media at a large extent to share content within the firm, share experiences on social platforms and shares content with stakeholders. Lastly, beauty salons in Nairobi utilize social media marketing largely in promoting their firms brand awareness, to enhance their brand visibility, create connection with customers, to create market presence, to advertise and to communicate their firms' products.

The descriptive results on the challenges hindering social media adoption documented that social media was moderately affected lack of ability and time to use social media platforms, lack of funds to hire a social media specialist and the inability to ascertain user security and social media returns respectively. On the other hand they major challenges affecting social media adoption by beauty salons included difficulty in maintaining privacy, difficult in controlling the terms of agreement and difficulty to ascertain authenticity of online users

The regression analysis results established that social media communication recorded a positive (B=0.306) and significant effect on organizational performance whereas knowledge sharing (B=0.870) recorded a positively significant effect on performance of the organization respectively. Further, information search had a positive (B=1.736) and significant effect on organizational performance whereas social media marketing had a positive (B=0.513) and significant effect on organizational performance.

5.3. Conclusion

The research findings indicated that social media communication recorded a positive and significant effect on organizational performance. Based on this finding the study concludes that social media communication significantly enhances performance of beauty salons in

Nairobi. The findings also indicated that knowledge sharing recorded a positive and significant effect on organizational performance. Based on this finding the study concludes that knowledge sharing though social media platforms significantly enhances performance of beauty salons in Nairobi.

Further, the findings documented that information search had a positive and significant effect on organizational performance. The study therefore concludes that media information searching significantly influences performance of beauty salons in Nairobi. The results established that social media marketing recorded a positive and significant effect on organizational performance. Basing on this finding the study concludes that social media marketing significantly influences performance of beauty salons in Nairobi.

5.4. Recommendation

The research recommends that social media communication significantly enhances performance of beauty salons in Nairobi. Therefore, this study recommends therefore that management of beauty salons in Nairobi ought to ensure they enhance their SM communication strategies since the use of SM in communication enhances performance.

The study also indicated that knowledge sharing though social media platforms significantly enhances performance of beauty salons in Nairobi. This study thus recommends that management of beauty salons in Nairobi ought to enhance knowledge sharing social media platforms to enhance, as this would reach more clients that would lead to improved performance.

The study indicated that media information searching significantly enhances performance of beauty salons in Nairobi. This study thus recommends that the proprietors of beauty

salons in Nairobi should take advantage of information provided via social media sites to get market information and other vital information as such would enhance their profitability and performance.

Further, the research indicated that social media marketing significantly influences performance of beauty salons in Nairobi. Basing on the finding the research thus recommends that the proprietors of beauty salons in Nairobi should market their businesses through social media platforms as they are cheap which leads costs reduction hence increased organizational performance.

5.5. Study Limitations

This study targeted a sample of 100 respondents but managed to collected data from 81 respondents that lead to 85.26% response rate. This indicates that the study did not achieve a 100% response rate hence the findings were based on the 81 participants who answered the research questionnaires. The study also used a descriptive research design however; the design is not helpful in identifying cause behind described phenomenon and the researcher has limited control over any of the variables that affect the event or problem under investigation.

This study's data was collected through structure questionnaires which had likert based questionnaires and the respondents were required to respond in a particular manner. Although structured questionnaires a cheap and cost effective to administer and they also the save the researcher's time they do not capture the in-depth qualitative views and opinions of the respondents. In addition, questionnaires does not convey the respondent's feelings and emotions.

On a contextual perspective, this study was undertaken among beauty salons in Nairobi hence the study was limited to the sampled entities. Therefore, care should be taken when generalizing the findings to other organizations as their operations, mandate and activities differ significantly. Further, the findings may not be replicated to large entities since they may have varying investment in social media as well as other beauty salons in other parts of the world.

5.6. Suggestions for Further Research

This study focused on examining the relationship between social media usage and the performance of beauty salons in Nairobi. The study focused on communication, knowledge sharing, information searching and marketing and their effect on organizational performance. The study results indicated that the five variables resulted to 65.7% of the variation in organizational performance. This indicate a myriad of other factors influence performance of beauty salons in Nairobi. This study therefore recommends a study on the determinants of performance of beauty salons in Nairobi.

This study used structured questionnaires to collect data. However, structure questionnaires contain closed ended questions, which require a particular response making it impossible to obtain an in-depth view and opinions of the respondents regarding the study variables. This study based on this observation recommends that a similar study be undertaken through other research instruments such as interviews that will incorporate qualitative views and opinions of the beauty salons owners, proprietors and managers.

This study's context was beauty salons in Nairobi, which restricted the scope and the generalization of the findings to the study context. However, several other entities

including large organizations as well as individual also used social media sites for communication, information searching and knowledge sharing. This study therefore recommends a similar study, which can focus on other entities and other industrial segment in Kenya. A similar study can also be undertaken in other towns within Kenya to establish the interrelationship.

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APPENDIX

Appendix 1: Questionnaire

Dear Respondent,

This questionnaire aims at collecting data on social media usage and performance of beauty salons in Nairobi. Please provide the responses by filling in the provided blank spaces or tick the suitable answer in the given choices.

Section A: Background Information

1) Indicate your position in the firm

Owner …………………………………[   ]

Manager. ………………………………[   ]

Office Assistant………………………. [   ]

Others, specify ………………………………..

2) Gender :   Male [   ]   Female [   ]

3) Indicate the number of years you have worked in the firm

2   or less ……………………………... ..[   ]

6-10..…………………………………….[   ]

Over 11 …………………………………[   ]

9-11 ---[   ]

Over 11--------------------------------------[   ]

4) Indicate the number of years your firm has been in operation

5 or less……………………….…………..[   ]

6-10…………………………..……….....[   ]

11 and Over…..………………..…………[   ]

5) Number of Employees

5 or less ………………………………….[   ]

6-10 …………………………………….[   ]

Over 11 Employees……..……………….[   ]

6) Number of customers served per day on average

0-10……………………………………….…….[ ]

11-20 ………….……………………….…..[ ]

21-30…………………………………….…..[ ]\

Over 31 …………………………………...[ ]

7) Indicates the commonly used social media sites and tools employed by your organization

Facebook…………………………….…[ ]

WhatsApp……………………………....[ ]

Telegram…………………………….…[ ]

Instagram…………………………………[ ]

Twitter …………………………………[ ]

Linkedin ………………………….....…[ ]

Snapchat …………………………...[ ]

Others, specify ……………..………..…..[ ]

Section B:

Social Media Usage

8) To what extent do you use social media for each of the following functions in the beauty salon?

Indicate using the scale   1. No extent   2. Little extent   3   . Moderate extent

4. Large extent   5. Very large extent.

Use	Statement	1 No extent	2 Little extent	3 Moderate	4 Large Extent	5 Very Large
Communication	Speeding up information dissemination within the firm					
	Promoting collaborations with the firm and stakeholders					

	Informing the firm on the market presence					
	Making presence known on of the firm product					
	Engaging with supplier on the firm product price Communicating products and services of the firm					
	Bridging communication gap within the firm					
Knowledge sharing	Sharing of content within the firm					
	Sharing experiences on social platforms					
	Sharing of content with stakeholders					
Information searching	Speeding information seeking within firm					
	Informing on new trends on the firm					
	Obtaining information about the market					
	Informing on the sector competition of the firm					
Marketing	Promoting the brand awareness of the firm					
	Increasing the visibility of the firm's brand					
	Connecting a firm directly with its customers					
	Creating market presence					
	Communicating market price of the product of the firm					
	Advertising new product of the firm					

SECTION C: Challenges Hindering Adoption of Social Media

7) Indicate the extent to which the firm faces challenges in adoption of social media.

Indicate using the scale   1. No extent   2. Little extent   3   . Moderate extent

4. Large extent   5. Very large extent.

Challenges	1 No extent	2 Little extent	3 Moderate	4 Large Extent	5 Very Large
Lack of ability to use social media platforms					
Lack of time to use social media					
Lack of technical knowledge					
Lack of human resources to manage social media effectively					
Lack of funds to hire a social media specialist					
Social media is an expensive and risky initiative					
The responsibilities of the firm on social networks are unclear					
Negative attitudes towards social media by management					
Inability to ascertain returns in social media investments					
Difficulty in maintaining privacy					
Difficult in controlling the Terms of agreement					
Inability to ascertain user security on social media					
Inability in accessing for those with disabilities					
Difficulty to ascertain authenticity of online users					

Others specify and rate accordingly_____

_____

_____

SECTION D: Organization Performance

8) Please indicate the extent to which the firm has performed according to the following

measures of organizational performance.

Indicate using the scale   1. No extent   2. Little extent   3   . Moderate extent

4. Large extent   5. Very large extent.

Performance indicator	1 No extent	2 Little extent	3 Moderate	4 Large Extent	5 Very Large

Cost reduction					
Customer Growth					
Customer retention					
Revenue					
Profit					

Thank you for your time